Registre de Commerce et des Sociétés
B11723 - L150101476
déposé le 12/06/2015

MENTION

Dénomination / Raison sociale de la Société : Enovos International S.A., Société Anonyme
Siège Social : 2, Domaine du Schlassgoard L-4327 Esch-sur-Alzette
Numéro d'immatriculation au registre de commerce et des sociétés : B11723

Les comptes consolidés au 31 décembre 2014
ont été enregistrés et déposés au registre de commerce et des sociétés.

Pour mention aux fins de publication au Mémorial, Recueil des Sociétés et Associations.

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B11723 - L150101476
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Consolidated Annual Accounts 2014

Enovos International S.A.
Société Anonyme

2 Domaine du Schlassgoard
L-4327 Esch-sur-Alzette
R.C.S. Luxembourg: B11723

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1. Management report

As a major player in select Western European energy markets and holding company for the energy supplier Enovos Luxembourg S.A. ("non-regulated activities") and the grid operator Creos Luxembourg S.A. ("regulated activities"), Enovos International's mission is to ensure the group's competitive position continuously, as well as its sound strategic development in the interest of all stakeholders.

The consolidated annual accounts include those of Enovos International S.A. and those of its affiliates (the "group"), including 50 companies, of which 33 are fully consolidated and 17 are consolidated under the equity method.

Highlights

In 2014, GDP growth in Europe steadied over the course of the year, but deflationary pressures were being felt throughout the eurozone. This was largely due to low energy prices, stemming chiefly from a glut of oil in the markets, in contrast with industrial growth that had not yet recovered to pre-crisis levels.

Despite rising tensions with Russia, continued high government debt in the eurozone's periphery (and thus a weak euro) and Germany's surprise Q2 and Q3 dips in economic growth, the high domestic demand in the eurozone core, the American recovery and stock exchanges going from strength to strength painted 2014 in a stable light. Once again, however, genuine light at the end of the tunnel could not be seen.

While the operating results of the group further improved compared to 2013, the group's net results were heavily impacted by a number of exceptional value adjustments and provisions on its renewable and conventional assets.

Over the year, the group pursued its growth strategy and, in order to finance its investment projects, mainly in grids and renewable energy generation, Enovos International S.A. decided, in November 2014, to issue an additional German Certificate of Indebtedness ("*Schuldschein*") to the value of EUR 80 million, with a tenor of 7, 10 and 12 years, leading to an average tenor of 9.6 years.

Non-regulated activities

Enovos Group's total electricity sales of 17.2 TWh in 2014 are in line with 2013 sales, while electricity prices continued their downward trend throughout the year, declining on average some 13% year on year, based on German day-ahead prices.

Enovos Group's total natural gas sales decreased from 34.9 TWh in 2013 to 28.0 TWh in 2014 (-20%). The main reason was the intensified competition in the German market as well as the mild weather conditions during the winter 2013/2014. As a consequence of these mild weather conditions and lower-than-normal levels of economic activity in Q2 leading to high storage levels, market prices also took a dip in the middle of the year, only to recover at year end, albeit at levels below those at the beginning of the year.

In the challenging commercial environment of Luxembourg, with increased international competition in the industrial segment, the group managed, with its dedicated commercial team of energy specialists, to maintain its market share and consolidate its customer portfolio in Luxembourg. Working closely with the Energy Solutions & Services department, new products and services were added to the classic commodities portfolio of electricity and gas, further increasing customer proximity by creating added value for industrial and professional customers, thereby setting the group apart from its competitors.

In France, Enovos Luxembourg S.A. continued its commercial development and signed its first contract with a local natural gas-distribution company.

In Belgium, Enovos Luxembourg S.A. started to supply customers with low calorific natural gas and concluded energy-procurement contracts with its subsidiary NPG Energy NV.

Throughout 2014, the group successfully renegotiated a long-term gas-supply contract and brought it back to market levels.

In the second half of 2014, the Renewable Energies and Corporate Strategy Development departments conducted a review of current group strategy in the field of renewable energies. The new strategy further emphasises the development of projects that will generate value added rather than the acquisition of turn-key assets, on the one hand, combined with the establishment of a centralised and professional management of own and third-party assets, on the other. The roll-out of the new strategy, including underlying organisational changes, will take place throughout 2015.

During 2014, the group continued to invest in renewable energy capacity, largely through its stake in NPG Energy NV. The investment consisted mainly of developing two wind farms located in Wallonia, by increasing its stake in the rooftop facilities "NPG Green I" from 10% to 100%, and by concluding construction of the three biogas plants in Peer, Bocholt and Antwerp. However, during the performance test, one of the digesters of NPG Bio I (Peer) collapsed, which will lead to a delay of several months before it starts up again. In April 2014, the 1.3 MW-sized CPV plant Suncoutim, located in Alcoutim (Portugal), in which Enovos Luxembourg S.A. has a 34% stake, produced its first electricity for the national grid. Finally, further investment was also made in German renewables capacity during the year, through several projects in both photovoltaic and onshore wind capacities.

In total, while some of the group's other renewable assets were operating below target during the year because of both technical issues and unfavourable weather conditions, total energy production from the group's renewable assets was 540 GWh (+6% compared to 2013). Installed net capacity grew in the same period from 290 MW to 300 MW.

As regards conventional energy, Enovos Luxembourg S.A. monitored its investment in the 11th turbine of the SEO pumping station, where the construction-work and commissioning phases were complete at the end of 2014. Owing to renewed technical issues, however, commercial operation of the M11 is delayed until July 2015.

Regulated activities

The total electricity-transportation volumes of the group are in line with last year, at 4.9 TWh in 2014 (-0.5%), whereas total gas-transportation volumes have decreased from 41 TWh to 36.4 TWh (-12%), in both Germany (mild weather conditions) and Luxembourg (mild weather conditions and lower demand on the electricity-production side).

2014 was the second year of the first regulatory period under the so-called "Incentive Regulation", which caps a network operator's permitted operational expenses. Thus, the regulatory framework under which Creos Luxembourg S.A. operated in Luxembourg remained unchanged from the previous year (and will remain so until 2016, inclusive). Detailed information on the applicable regulations as well as the tariffs approved for Creos Luxembourg S.A. can be found on www.ilr.lu.

In accordance with the legal requirements, Creos Luxembourg S.A. has established a programme including the appropriate measures to rule out any discriminatory practice in the treatment of different network users. The programme and its annual monitoring are published on the website: www.creos.net. Within the Enovos Group, a further clearly visible milestone in the unbundling process was reached in 2014, with all Enovos staff moving from Strassen to Esch, thereby ensuring a clear physical separation between grid management (Creos Luxembourg S.A.) and the other activities within the group.

An important milestone for Creos Luxembourg S.A. in 2014 was the opening of its new operational site in Roost. Creos concentrated the former activities of the regional sites of Wiltz, Heisdorf and Contern into this new building, as well as the central warehouse in Mersch. This move, together with other ongoing efficiency initiatives, will enable Creos Luxembourg S.A. to optimise its operational costs and thus continue to thrive within the framework of the Incentive Regulation.

2014 was a record year for Creos Luxembourg S.A.'s investments: never before has the company invested so much in its grids and operations, namely EUR 130 million. This large investment programme, driven mainly by expansion of the high-voltage grid and the roll-out of smart meters, will continue for the next few years, before tapering off to EUR 100 million around 2018.

Besides reinforcing its own national grid, Creos Luxembourg S.A. was very active at European level by working together with the adjacent TSOs to press ahead with regional market integration (gas), and to create new connections between adjacent markets (electricity). With these efforts, Creos Luxembourg S.A. is positioning itself clearly within the spirit of the European Directive 2009/73/EC, which aims to move the Member States towards creating a barrier-free single market.

One key element of the investment plan in Luxembourg concerns so-called "smart energy meters". All distribution-grid operators (electricity and gas) in Luxembourg are required by law to replace all existing metering devices with "smart meters" by 2020. Together with the other operators, Creos Luxembourg S.A. has created the joint venture Luxmetering G.I.E. as a common and single platform in Luxembourg for smart meters. In 2014, suppliers were selected both for the central platform's IT system and for the metering hardware (electricity and gas). The first of the selected meters will be delivered in 2015 and the large-scale general roll-out of smart meters in the country is expected to start in 2016.

The activities 2014 of the German affiliate of Creos Luxembourg are characterized by an increased investment activity, necessary to modernize the grids in line with the newly defined target grid, and the successful start of Creos Deutschland Services, active in non-regulated business.

Another milestone was the acquisition of a plot of land in Homburg in order to transfer the headquarters from Saarbrucken to Homburg. Homburg will be the central location that will bring together the essential functions of the German companies as well as technical staff. This new location will enable an optimization of the work processes thus leading to important cost reductions. The construction of this new building will start in 2015.

Headcount

In order to support its growth strategy, the average number of employees of the Enovos Group further increased from 1,401 people in 2013 to 1,427 in 2014. The Board of Directors and the Management of Enovos International S.A. would like to thank all employees for their duties, for their contributions throughout 2014 and for their full support in implementing important changes.

Financials

The consolidated ordinary operating profit (EBITDA) of EUR 212,234,303 (2013: EUR 193,922,980) illustrates the strong operational performance of the group in 2014, despite overall unfavourable market conditions.

The positive financial impact on operations is very much due to successful sales activities, the positive impact of long-term gas-contract renegotiations, and overall portfolio and upstream asset optimisations. In particular, after a very difficult 2013, the operating profit of our German subsidiaries improved in 2014, despite strong competition in the industrial customer segment and decreasing energy-market prices.

The contribution to the consolidated ordinary operating profit of the grid companies further improved in 2014, as a result of increased revenues and more capitalised own work, owing to a stronger investment activity.

The contribution to the consolidated ordinary operating profit of the renewable investments showed a drop in 2014, largely driven by a lower contribution from biogas activities in Germany.

Share in the companies' results posted under the equity method as EUR 14,531,954 (2013: EUR 10,378,179) improved, mainly from Twinerg S.A. because it made a positive contribution in 2014, having recognised an impairment in its local accounts in 2013, which negatively impacted on last year's share in the group's consolidated results.

In the context of the annual impairment-testing process that the group performs on its fixed assets, a number of value adjustments and provisions had to be booked, which had a significant impact on the Company's results. First, against a backdrop of adverse market conditions, the Board of Directors decided to book an exceptional depreciation and a provision for risks and charges on its long-term lignite-based electricity contract, as well as on the stakes it held in the biogas plant of Energiepark Trelder Berg GmbH and in the Italian photovoltaic company Enovos Solar Investments I S.r.l. Unipersonale.

Second, in the context of the current investigations and process conducted by the Italian authorities, the Board of Directors decided to depreciate completely its investments in Enovos Solar Investments II S.r.l. Unipersonale and Aveleos S.A., and to depreciate partially its loans to the two companies. Finally, the Board decided to book further provisions to cover the risks linked to the guarantees that have been issued by the group in the context of the commercial activities of Aveleos S.A.; see the various notes relating to the accounts for further details.

In total, exceptional value adjustments and provisions amount to EUR 93.8 million and have been recognised under the headings "Value adjustments on formation expenses and on tangible and intangible fixed assets", impacting operating profit (EBIT) by a total of EUR -45.0 million, and "Extraordinary charges", further impacting earnings before tax (EBT) by a total of EUR -48.8 million.

The "Extraordinary income" heading comprises capital gains from the sale of the stakes in EEX AG for EUR 1.7 million and Prego Services GmbH for EUR 3.6 million, leading to a net impact after tax of EUR 2.5 million.

As a consequence of the aforementioned exceptional depreciations and provisions, net profit for the year amounts to EUR 26.5 million (EUR 5.8 million group share), compared to EUR 96.7 million (EUR 75.3 million group share) in 2013. Excluding the impact of the exceptional impairments of EUR 84.7 million on an after-tax basis and of the capital gains of EUR 2.5 million, the consolidated net profit for the financial year would exceed the 2013 net profit (EUR 96.7 million) by EUR 12.0 million.

In 2014, the group largely continued investing in the grids and renewables sectors, to a total of EUR 237.5 million. Consequently, to finance these investments partially, consolidated financial indebtedness (amounts owed to credit institutions and debenture loans) increased from EUR 453 million in 2013 to EUR 517 million in 2014.

The group's total capital and reserves decreased to EUR 1,164,234,229 (2013: EUR 1,199,400,993), taking account of the distributed dividends to its shareholders and the net profit for the year negatively impacted by the aforementioned impairments. Capital and reserves represent 46% of total assets (47% in 2013). The sound balance-sheet structure will enable the group to continue on its growth path, in line with its strategy to invest further in securing and modernising its current grid infrastructure, as well as in increasing its renewable energy-generation capacity.

Risk-management objectives and policies

The main risks the group has to manage are those related to price volatility in the energy markets, credit risk in relation to customers and counterparties, risk on past and future investments, operational and IT risks and risks relating to increased regulatory intervention in the energy market at European level.

In 2014, the risk management charter, framework and process have further been developed and bundled into a Group Risk Policy published on the groups' Intranet readily accessible for each employee. The policy defines the set-up of different Risk Committees for the main group companies. Furthermore, a functional risk organisation has been introduced and local risk coordinators have been designated for the main subsidiaries of the Enovos Group.

Early identification of possible risk factors enables the Group to keep business activity stable. For this reason, risk management is incorporated into the daily business of the Group across the entire workflow. An appropriate risk reporting requires the establishment and promotion of a lively risk culture in the various departments of all Group companies and, in particular, the practice of formal assessment and reporting of potential risks. In order to foster the awareness of the executive committee and of the senior management to the concept of risk management, a dedicated training on risk culture held by an external risk specialist has taken place in October 2014.

The Risk Committee Markets is in charge of the general definition of risk-tolerance, methodology and risk-management tools. Through monthly and ad-hoc meetings, the Risk Committee Markets ensures implementation of the markets risk policy.

On 25th October 2011, Regulation (EU) No. 1227/2011 on wholesale energy market integrity and transparency ("REMIT") was adopted, introducing a framework to regulate insider dealing and market manipulation tailored on the needs and dynamics of wholesale energy markets and imposing a reporting obligation for wholesale energy products.

On 4th July 2012, the European Parliament and the Council adopted Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories (the so-called European Market Infrastructure Regulation, "EMIR") which introduces provisions to improve transparency and reduce the risks associated with the OTC derivatives market. Enovos has set up its own regulatory working group to analyse the regulation's implications and prepare for the various obligations that Enovos Luxembourg S.A. will have to meet in order to ensure that it complies with the various EU obligations. In particular, having implemented the reporting obligation under EMIR in 2014, the group will implement the mandatory reporting obligation under REMIT in 2015.

Specifically in the area of the grid companies, the risk management culture has further been formalised with the introduction of a Creos Risk Committee and the organisation of workshops, including training on the best use of the risk management software Eagle. The main concern of risk management relates to potential damage to the grid under certain extreme weather conditions, as well as to prevention of accidents amongst the internal and external workforce.

Outlook

The group does not expect a major short-term recovery in the energy markets and hence foresees energy prices remaining at low levels, mainly in electricity, and continued strong competition in the German gas market for 2015. The group will therefore start, in the coming months, to implement its new commercial strategies, mainly in Germany, Belgium and France.

In the first half of 2015, Enovos Deutschland S.E. will be finalising the take-over of Repower Deutschland GmbH's customer portfolio. The portfolio consists of about 3,000 electricity and 300 gas customers in the small B2B sector. This transaction may be considered as a first move in the company's strategy to diversify its activities towards this customer segment.

In March 2015, Enovos Luxembourg S.A. acquired a 10% stake in the company Vialis S.A.E.M., a local French distributor active in electricity and gas, in line with the group's strategy to increase its presence in the French energy market.

The group has successfully started implementing its initiatives in the areas of Energy Efficiency, Eco-Mobility, Smart Applications, and Distributed Energy Systems i.e. the so called "2020 Vision" initiatives, aiming to provide further energy services to its customers in Luxembourg and neighbouring countries, and will continue its efforts in that strategic area in 2015.

During the first months of 2015, discussions continued with the joint venture partner in respect of the financial health of Aveleos S.A. and its ability to meet upcoming commitments.

In 2015 and subsequent years, the grid companies will continue implementing a significant investment and maintenance plan, to modernise the networks in order to ensure their safety and reliability. In Luxembourg, the group will also continue actively preparing for the introduction of so-called "smart" meters (general roll-out scheduled to start in 2016) and "smart" grids.

Enovos International S.A. will provide further financial resources to conduct its subsidiaries' ambitious investment programme, mainly in renewable energy generation and grid activities. As current financial market conditions are expected to remain favourable, with interest rates staying at low levels, management is confident that this long-term finance will be arranged in the course of the year.

At this stage, the group does not foresee any major technical, commercial or financial developments likely to raise concerns over its economic or financial situation.

Own shares

No transactions occurred in the course of the year.

Board of Directors

In its meeting of September 26th, 2014, the Board of Directors has co-opted Mr Joachim Scherer as his new member, in replacement of Mr Markus Kuhn. The Annual General Meeting of Shareholders shall ratify and proceed with the final election.

In its meeting of January 12th, 2015, the Board of Directors has appointed Mr Stephan Fedrigo as new permanent representative of the director "Axa Redilion ManagementCo S.C.A.", in replacement of Mr Stephan Illenberger. The Annual General Meeting of Shareholders shall proceed with the final election.

The Board of Directors draws the attention of the Shareholder Meeting to the fact that one director mandate will end with the Annual General Meeting of Shareholders stating on the accounts for the financial year ending 31st December 2014.

Auditor

The mandate of the external independent statutory auditor, PriceWaterhouseCoopers, Société coopérative, will come to term with the audit of the financial year 2014. The Board of Directors will submit a proposal on this behalf to the Annual General Meeting of Shareholders.

The Board of Directors

24th April 2015

2. Consolidated Annual Accounts

2.1 Consolidated balance sheet as at 31st December 2014
Denominated in EUR

ASSETS		2014 €	2013 €
Goodwill			
Goodwill on first consolidation	Note 4	59,083,316	74,743,378
Total Goodwill		**59,083,316**	**74,743,378**
Formation expenses	Note 6		
Formation expenses		445,451	570,744
Total Formation expenses		**445,451**	**570,744**
Fixed assets			
Intangible fixed assets	Note 7		
Concessions, patents, licences, trade marks and similar rights and assets, if they were			
a) acquired for valuable consideration		96,158,134	97,088,838
Goodwill, to the extent that it was acquired for valuable consideration		75,406,802	83,817,320
Payments on account and intangible fixed assets under development		2,731,288	16,000,510
Tangible fixed assets	Note 8		
Land and buildings		154,920,393	92,168,017
Plant and machinery		852,887,635	795,173,863
Other fixtures and fittings, tools and equipment		30,979,546	31,916,507
Payments on account and tangible fixed assets under development		281,724,163	273,035,813
Financial fixed assets			
Companies consolidated under the equity method	Note 9.1	117,445,995	144,982,066
Investments carried at cost	Note 9.2	68,809,756	66,747,485
Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests		28,566,580	24,841,687
Securities and other financial instruments held as fixed assets	Note 12	28,338,507	27,622,734
Loans and claims held as fixed assets		12,711	10,426
Total Fixed Assets		**1,737,981,509**	**1,653,405,265**
Current assets			
Inventories	Note 10		
Raw materials and consumables		18,537,279	12,804,367
Work and contracts in progress		13,535,515	17,318,379
Finished goods and merchandise		31,570,287	33,664,240
Debtors			
Trade receivables	Note 11.1		
a) becoming due and payable within one year		376,290,278	460,636,089
b) becoming due and payable after more than one year		0	0
Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	Note 11.2		
a) becoming due and payable within one year		37,873,356	55,679,008
b) becoming due and payable after more than one year		26,000	26,000
Other receivables	Note 11.3		
a) becoming due and payable within one year		77,776,239	119,083,516
b) becoming due and payable after more than one year		631,875	32,000
Deferred tax assets	Note 11.4	6,905,769	3,263,703
Transferable securities and other financial instruments	Note 12		
Other transferable securities and other financial instruments		16,325,386	14,891,783
Cash at bank, cash in postal cheque accounts, cheques and cash in hand	Note 13	96,207,040	55,260,800
Total Current Assets		**675,679,024**	**772,659,884**
Prepayments	Note 14	**65,411,364**	**36,650,535**
Total Assets		**2,538,600,664**	**2,538,029,807**

2.1 Consolidated balance sheet as at 31st December 2014

Denominated in EUR

LIABILITIES		2014 €	2013 €
Capital and reserves	Note 15		
Subscribed capital		90,962,900	90,962,900
Share premium and similar premiums		387,028,449	387,028,449
Consolidated reserves		457,259,773	425,478,665
Profit brought forward (Retained earnings)		2,494,831	8,936,930
Capital investment subsidies		5,567,192	6,182,148
Consolidated result for the financial year, group share		**5,794,026**	**75,341,768**
Total Capital and reserves, group share		**949,107,171**	**993,930,859**
Minority interests		**215,127,058**	**205,470,134**
Total Capital and reserves		**1,164,234,229**	**1,199,400,993**
Provisions			
Provisions for pensions and similar obligations	Note 16.1	89,257,875	89,536,909
Other provisions	Note 16.2	96,847,302	64,382,664
Total Provisions		**186,105,177**	**153,919,574**
Non subordinated debts			
Debenture loans			
b) Non convertible loans	Note 17		
i) becoming due and payable within one year		5,418,307	5,276,438
ii) becoming due and payable after more than one year		382,000,000	302,562,358
Amounts owed to credit institutions	Note 18		
a) becoming due and payable within one year		34,022,954	78,143,807
b) becoming due and payable after more than one year		95,521,979	66,724,440
Payments received on account of orders as far as they are not deducted distinctly from inventories	Note 19		
a) becoming due and payable within one year		11,576,237	10,117,763
Trade creditors	Note 20		
a) becoming due and payable within one year		366,110,095	389,751,367
b) becoming due and payable after more than one year		93,674	98,767
Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	Note 21		
a) becoming due and payable within one year		7,550,129	12,821,652
Tax and social security debts	Note 22		
Tax debts		59,960,382	110,242,593
Social security debts		4,330,385	3,864,777
Deferred income tax	Note 23	58,689,367	53,108,320
Other creditors	Note 24		
a) becoming due and payable within one year		10,824,164	7,890,563
b) becoming due and payable after more than one year		116,669,333	114,380,077
Total Non subordinated debts		**1,152,767,005**	**1,154,982,922**
Deferred income	Note 25	**35,494,253**	**29,726,318**
Total Liabilities		**2,538,600,664**	**2,538,029,807**

2.2 Consolidated profit and loss account for the year ended 31st December 2014 - legal presentation

Denominated in EUR

CHARGES	Notes	2014 €	2013 €
Use of merchandise, raw materials and consumable materials	Note 26	2,171,578,054	2,579,304,462
Other external charges	Note 27	123,402,289	97,514,451
Staff costs	Note 28		
a) Salaries and wages		115,567,538	110,262,891
b) Social security on salaries and wages		13,983,438	13,352,539
c) Supplementary pension costs		13,109,306	9,179,613
d) Other social costs		169,180	92,318
Value adjustments			
a) on formation expenses and on tangible and intangible fixed assets	Notes 4, 6, 7, 8	134,448,400	82,614,867
b) on current assets		7,302,909	7,190,314
Interest and other financial charges			
b) other interest and similar financial charges	Note 31	18,748,760	19,211,771
Extraordinary charges	Note 33	48,808,149	-
Income tax	Note 34	13,690,856	20,313,119
Other taxes not included in the previous caption		1,327,485	28,125
Profit for the financial year			
a) Group share		5,794,026	75,341,768
b) Minority interests		20,736,943	21,335,738
Total Charges		**2,688,667,331**	**3,035,741,977**

INCOME	Notes	2014 €	2013 €
Net turnover	Note 29	2,584,934,206	2,950,600,837
Fixed assets under development	Note 1	37,019,365	34,105,472
Reversal of value adjustments			
b) on current assets		4,824,266	68,501
Other operating income	Note 30	30,569,178	26,044,760
Income from financial fixed assets	Note 31		
b) other income from participating interests		6,822,867	8,542,092
Other interest and other financial income	Note 31		
b) other interest and similar financial income		4,665,734	5,757,841
Share in result of companies accounted for under the equity method	Note 32	14,531,954	10,378,179
Extraordinary income	Note 33	5,299,761	244,295
Total Income		**2,688,667,331**	**3,035,741,977**

2.2 Consolidated profit and loss account for the year ended 31st December 2014 - List presentation

Denominated in EUR

	2014 €	2013 €
Sales	2,584,934,206	2,950,600,837
Other operating income	13,994,613	20,723,738
Own work capitalized	37,019,365	34,105,472
Cost of sales	(2,171,578,054)	(2,579,304,462)
Personnel expenses	(142,829,461)	(132,887,362)
Other operating expenses	(109,306,367)	(99,315,243)
Ordinary operating profit (EBITDA)	**212,234,303**	**193,922,980**
Depreciation	(134,448,400)	(82,614,867)
Operating profit (EBIT)	**77,785,902**	**111,308,114**
Financial income	4,665,734	5,757,841
Gains on disposals	5,299,761	244,295
Income from investments carried at cost	6,822,867	8,542,092
Share in result of companies accounted under the equity method	14,531,954	10,378,179
Financial expenses	(67,556,909)	(19,211,771)
Earnings before tax	**41,549,310**	**117,018,750**
Current income tax	(13,258,784)	(14,028,947)
Deferred income tax	(1,759,558)	(6,312,296)
Net profit for the year	**26,530,969**	**96,677,506**
Minority interests	(20,736,943)	(21,335,738)
Net profit for the year, group share	**5,794,026**	**75,341,768**

2.3 Consolidated cash flow statement for the year ended 31st December 2014

Denominated in EUR

	2014 €	2013 €
Result for the financial year, group share	5,794,026	75,341,768
+ Minority interests	20,736,943	21,335,738
+ Amortization and depreciation	133,833,445	82,133,298
- Capital gain on disposals	(5,299,761)	(244,295)
+ / - Change in provisions	65,226,872	(1,230,638)
- Share in result of companies accounted under the equity method	(14,531,954)	(10,378,179)
+ Dividends received from companies accounted for under the equity method	12,643,440	14,095,564
+ Current and deferred income taxes	15,018,341	20,341,244
- Taxes paid	(63,361,572)	(38,461,771)
- Increase / (+) Decrease in current assets	114,241,685	(79,297,828)
+ Increase / (-) Decrease in current liabilities	(16,003,014)	134,642,460
Operating cash flow	**268,298,451**	**218,277,361**
- Capital expenditures on intangible assets	(8,102,702)	(15,631,160)
- Capital expenditures on tangible assets	(208,867,500)	(196,478,782)
- Impact of change in scope	(13,668,189)	(48,924,575)
+ Cash received from disposal of fixed assets	6,484,822	497,344
- Capital expenditures on financial assets	(7,216,626)	(9,408,733)
+ Cash received from disposal of financial assets	7,230,678	2,565,297
+ / - Change in loans to participations	(4,952,509)	(13,176,912)
Cash flow from investing activities	**(229,092,027)**	**(280,557,541)**
- Dividends paid to the group shareholders	(49,119,966)	(49,119,966)
- Dividends paid to the minorities of consolidated companies	(11,277,060)	(13,519,379)
+ Change in equity	(685,751)	8,370,563
- Net change in financial liabilities	71,585,540	123,184,478
- Impact of change in scope on financial liabilities	(7,329,343)	32,456,579
Cash Flow from financing activities	**3,173,419**	**101,372,274**
CHANGE IN CASH	**42,379,843**	**39,092,094**
Situation at the beginning of the year	70,152,583	31,060,489
Situation at the end of the year	112,532,426	70,152,583

2.4 Notes to the consolidated annual accounts

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Note 1 – Summary of significant accounting principles

Basis of preparation

The consolidated annual accounts of Enovos International S.A. (the "Company"), together with its subsidiaries, (the "group") have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the amended Law of 19th December 2002, determined and applied by the Board of Directors.

The preparation of consolidated annual accounts requires the use of certain important accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the consolidated annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the consolidated annual accounts therefore present the financial position and results fairly.

The group makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Scope of consolidation

The consolidated annual accounts include those of Enovos International S.A. and those of its affiliates, including jointly controlled entities, and its associated companies. Together they form the group. The consolidated companies are listed in Note 5, "Scope of consolidation and list of consolidated companies".

All consolidated companies prepare their statutory annual accounts as at 31st December.

Significant accounting policies

The main valuation rules applied by the group are the following:

Consolidation methods

The methods used are:

- Full consolidation in the case of those companies that the Enovos Group directly or indirectly controls (generally with more than 50% of the voting rights). With this method, the assets and liabilities of the consolidated companies are incorporated into the consolidated accounts, rather than the book value of the equity interests held by the group in the companies concerned. Use of this method leads to goodwill on consolidation and minority interests being reported. Similarly, the income and expenses of these subsidiaries are consolidated with those of the parent company and their results for the financial year are apportioned between the group and the minority interests. Intercompany accounts and transactions are eliminated;

- The equity method in the case of those companies over which the Enovos Group exercises either joint control with a limited number of associates or significant influence. With this method, the parent company's share of its affiliate's equity, based on its equity interest, is entered in its balance sheet, rather than the acquisition cost of the equity holding itself. The difference thus generated is posted to group capital and reserves. The dividends received by the respective parent company are eliminated. The other balance sheet and income statement items are not affected and intercompany accounts and transactions are not eliminated;

- Goodwill on consolidation is calculated at the time of acquisition or consolidation of an equity interest. Goodwill on first consolidation represents the excess of the acquisition price over the group's interest share in the equity of the acquired entity. Negative goodwill is accounted for in profit and loss or in provisions if it relates to anticipated future losses. Positive goodwill is recorded as an asset and depreciated over 15 years, unless a different amortisation period is justified. The 15 years are based on the expected economic life of the underlying assets. The positive and negative goodwills resulting from the restructuring process in 2009 have been by exception recorded in 2009 against the consolidated reserves in shareholder's equity;

- If the Board of Directors considers that an impairment must be recognized on goodwill on consolidated entities, a corresponding depreciation is posted.

Note 1 – Summary of significant accounting principles (cont.)

Foreign currency translation

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Formation expenses and long-term assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date, exchange losses and gains are recorded in the profit and loss account of the year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account and the net unrealised exchange gains are not recognised.

All group companies use EUR as their fuctional currency.

Formation expenses

Formation expenses are written off on a straight-line basis over a period of 5 years.

Intangible fixed assets

Intangible fixed assets are valued at purchase price including the expenses incidental thereto or at production cost, less cumulated depreciation amounts written off.

The depreciation rates and methods applied are as follows:

	Depreciation rate	Depreciation method
Concessions, patents, licences, trade marks and similar rights and assets	4% - 33.33%	Straight-line
Goodwill, to extent that it was acquired for valuable consideration	10% - 20%	Straight-line

Where the group considers that an intangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Tangible fixed assets

Tangible fixed assets are valued at purchase price including the expenses incidental thereto or at production cost.

The acquisition price is made up of the purchase price, including customs due and non-refundable taxes, after deduction of commercial discounts and rebates, and any cost directly attributable to the asset's transfer to its place of operation and any adaptation needed for its operation.

Note 1 – Summary of significant accounting principles (cont.)

Depreciation is recorded on the basis of an asset's useful life under the straight line method. The estimated useful lives of the main components of tangible fixed assets are as follows:

	Depreciation rate	Depreciation method
Buildings	2% - 10%	Straight-line
Plant and machinery	2% - 10%	Straight-line
Other fixtures and fittings, tools and equipment	10% - 33,33%	Straight-line

For the grid assets in Luxembourg, when a part of grid assets is to be replaced and cannot be separately identified, no disposal of assets is accounted for and the replaced assets continue to be depreciated with normal rates. This accounting principle has been agreed with the Regulator for the determination of grid tariffs.

Where the group considers that a tangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Tangible fixed assets under development are valued at cost, based on the direct and indirect costs of the group and are reviewed for impairment annually.

The costs incurred on fixed assets under development created by the group itself are recorded in the profit and loss account under caption "Fixed assets under development" during the year and are transferred at balance sheet date to the appropriate balance sheet caption.

Investments carried at cost and securities held as fixed assets
Investments carried at cost and not consolidated in these accounts are recorded in the balance sheet at their acquisition cost including the expenses incidental thereto. In the case of an impairment that the Board of Directors considers as permanent in nature, value adjustments are made in respect to these long-term investments to apply the lower value to be assigned to them at the balance sheet date. These value adjustments are not maintained when the reasons for making them have ceased to exist.

Securities held as fixed assets are classified as long term financial assets if they are not available for sale. A value adjustment is recorded where the market value is lower than the purchase price.

Inventories of raw materials and consumables
Raw materials and consumables are valued at the lower of purchase price calculated on the basis of weighted average cost and market value. Value adjustments are recorded when the estimated realisable value of stocks is lower than the weighted average cost. Their value adjustments are not maintained if the reasons for recording them have ceased to exist.

Inventories of finished goods and work and contracts in progress
Inventories of finished goods and work and contracts in progress are valued at the lower of production cost including the purchase price of the raw materials and consumables, the costs directly attributable to the product/contract in question and a proportion of the costs indirectly attributable to the product/contract in question, and market value. A value adjustment is recorded where the market value is below the production cost. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Debtors
Debtors are recorded at their nominal value. Value adjustments are recorded when there is a risk that all or part of the amounts concerned may not be recovered. These value adjustments are not maintained if the reasons for recording them have ceased to exist.

Note 1 – Summary of significant accounting principles (cont.)

Transferable securities
Transferable securities are valued at their purchase price, including expenses incidental thereto, expressed in the currency in which the annual accounts are prepared. A value adjustment is recorded where the market value is lower than the purchase price. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

The market value corresponds to the latest available quote on the valuation day for investments listed on a stock exchange or traded on another regulated market.

For non-listed securities or for securities where the last quote is not representative the market value corresponds to the probable realisation value estimated with due care and in good faith by the Board of Directors..

Derivative financial instruments
The group may enter into derivative financial instruments such as options, swaps, futures or foreign exchange contracts. The group records initially derivative financial instruments at costs.

At each balance sheet date, unrealised losses are recognised in the profit and loss account whereas gains are accounted for when realised. In the case of hedging of an asset or a liability which is not recorded at fair value, unrealised gains or losses are deferred until the recognition of the realised gains or losses on the hedged item.

Prepayments
This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.

Provisions
The aim of provisions to cover clearly defined charges and liabilities, which, on the balance sheet date, are either probable or certain but for which the amount or date of occurrence cannot be determined with certainty. A review is carried out at year-end to determine the provisions to be recorded for the group's liabilities and charges. Provisions recorded in previous years are reviewed annually and those no longer needed are released.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred as to their amount or the date on which they will arise.

Provisions for pensions and similar obligations
Different group companies offer its employees a defined benefit plan and a defined contribution plan. Those plans are provided for based on acceptable principles in the different countries of the group companies.

<u>Defined benefit plan</u>

A defined benefit plan defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to historical evolution of long term interest rates.

Actuarial gains and losses are charged or credited in the profit or loss in the period in which they arise.

Past-service costs are recognized immediately in the profit or loss.

<u>Defined contribution plan</u>

A defined contribution plan is a pension plan under which the group pays fixed contributions to a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions paid are directly registered in the profit and loss during the year they are paid. The commitment of the group is limited to the contributions that the group agreed to pay into the fund on behalf of its employees.

Note 1 – Summary of significant accounting principles (cont.)

Non subordinated debts
Debts are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is recorded in the profit and loss account when the debt is issued. All fixed costs related to setting up the facilities are depreciated over the duration of the loan.

Deferred income
This liability item includes income received during the financial year but relating to a subsequent financial year.

Current and deferred income tax
Provisions for current income tax include the current taxes charged. Deferred taxes are recorded on the temporary differences existing between the tax rules and those used for preparing the consolidated annual accounts. Deferred taxes are calculated in accordance with the variable carrying forward method based on the tax rate expected at the time that the receivable or liability materialises. Active deferred taxes are recorded only if it is likely that future taxable profits will be available.

Net turnover
Net turnover relates to transportation and distribution of electricity and gas, sales of gas and electricity, cogeneration provided as well as related activities as part of the group's ordinary activities, net of discounts, value-added tax and other taxes directly linked to sales.

In energy supply, revenue is recognised at the time of physical delivery except for supplies of low voltage electricity from Enovos Luxembourg S.A. and Leo S.A. for which revenue recognition is based on five respectively eleven flat-rate advance payments and one detailed account following meter reading as invoiced annually.

Other operating income
Other operating income comprises all income only indirectly linked to usual business activities.

Income from financial fixed assets
Dividend income is recorded when dividends are paid.

Note 2 – Creation of the new Enovos Group

Enovos International S.A. was incorporated under the name of Soteg S.A. in Luxembourg on 5th February 1974. The Company is registered under RCS nr. B11723. In the context of the below described operations, the Company has been renamed Enovos International S.A. in 2009. The registered office of the Company is established in Esch-sur-Alzette.

As of 23rd January 2009, the shareholders of Cegedel S.A. and Saar Ferngas AG contributed their respective shares into Soteg S.A.. Soteg S.A. then launched a mandatory public offer on all Cegedel S.A. shares not yet in its possession and Cegedel S.A. was delisted after a successful squeeze-out process. A process of restructuring took place thereafter and resulted in a new energy group named Enovos consisting of the parent company, Enovos International S.A. (formerly Soteg S.A.) and its two main subsidiaries, Creos Luxembourg S.A. (formerly Cegedel S.A.) in charge of grid activities and Enovos Luxembourg S.A. (formerly Cegedel Participations S.A.) dealing with energy generation, sales and trading activities. This restructuring has been made with retroactive effect as of 1st January 2009. Enovos Luxembourg S.A. has a subsidiary, Enovos Deutschland SE, (former Enovos Deutschland AG), for the German market and Creos Luxembourg S.A. has a subsidiary, Creos Deutschland Holding GmbH (former Creos Deutschland GmbH), for the German grid.

In the context of this restructuring, former Cegedel S.A. and Soteg S.A. sales activities were contributed to Enovos Luxembourg S.A. against issuing new shares. Enovos Luxembourg S.A. acquired 86.2% of Enovos Deutschland SE (former Enovos Deutschland AG). Cegedel Participations S.A. was sold to Soteg S.A. and the former Cegedel S.A. sales activity has been contributed to Enovos Luxembourg S.A. in exchange for shares. Former Soteg S.A. grid activities have been contributed to Creos Luxembourg S.A. in exchange for shares.

Note 3 – Authorisations

Following the two European Directives 2009/72 and 73 of 13th July 2009 concerning common rules for the internal markets in electricity and natural gas, and the laws that transposed these directives into national laws, namely the Laws of 7th August 2012, regarding the organization of the electricity and natural gas markets, transport and distribution grid management activities have been legally separated from the other activities of generation and sale of electricity and gas.

Note 4 – Goodwill on first consolidation

The restructuring process put in place in 2009 to create the new Enovos Group as described in Note 2 has led to the recognition of a net goodwill on first consolidation that has been recorded in 2009 against the consolidated reserves in shareholder's equity for a total initial amount of EUR 44,495,640.

Since 2010, goodwill on acquisitions is recognised on the asset side and is depreciated over a period of 15 years. From 2010 to 2014, the group has recognised goodwill on the following acquisitions (see also note 5):

	Date of first consolidation	31/12/2014 Goodwill Gross value €	31/12/2014 Goodwill Net value €
Energiepark Trelder Berg GmbH	1st January 2010	11,698,283	0
Surré S.A.	1st January 2010	989,661	659,775
Enovos Luxembourg S.A. (Luxgas S.à r.l.)	1st May 2010	14,871,586	10,244,871
Creos Luxembourg S.A.	1st May 2010	9,285,305	6,396,545
La Benâte Energies S.à r.l.	1st July 2010	1,771,954	1,240,368
Enovos Solar Investment I S.r.l. Unipersonale	1st October 2010	805,849	0
Enovos Solar Investment II S.r.l. Unipersonale	1st November 2010	3,035,199	0
Enovos Energie Deutschland GmbH	1st January 2011	7,221,109	5,295,480
Enovos Balance Deutschland GmbH	1st January 2011	75,000	55,000
Leo S.A.	6th January 2011	21,157,085	15,515,196
Ferme Eolienne de la Côte du Gibet S.à r.l.	2nd November 2011	51,800	38,562
Biogas Ohretal GmbH	1st January 2012	5,131,075	4,104,860
ESW Energie Südwest AG	1st January 2012	2,205,965	1,801,538
Enovos Deutschland SE	20th September 2012	1,992,075	1,726,465
Creos Deutschland Holding GmbH	1st January 2013	689,966	608,790
PNE Biogas Oebisfelde GmbH	8th February 2013	7,153,792	6,199,953
NPG Energy Group	15th January 2013	5,915,328	5,195,913
		94,051,032	**59,083,316**

Value adjustments have been recorded using a straight line depreciation method:

	31/12/2014 €	31/12/2013 €
Gross book value - opening balance	**92,865,884**	**79,511,902**
Additions for the year	1,185,148	13,353,982
Gross book value - closing balance	**94,051,032**	**92,865,884**
Accumulated value adjustment - opening balance	**(18,122,506)**	**(11,939,226)**
Allocations for the year	(6,276,741)	(6,183,280)
Exceptional depreciation for the year	(10,568,469)	0
Accumulated value adjustment - closing balance	**(34,967,716)**	**(18,122,506)**
Net book value - closing balance	**59,083,316**	**74,743,378**

In the context of the annual impairment testing process, the Board of Directors decided to depreciate completely the goodwills of Energiepark Trelder Berg GmbH, Enovos Solar Investments I S.r.l. Unipersonale and Enovos Solar Investments II S.r.l. Unipersonale for an amount of EUR 10,568,469 (see also note 5).

The Board of Directors is of the opinion that no further value adjustments are necessary.

Note 5 – Scope of consolidation and list of consolidated companies

The consolidation scope is as follows as at 31st December 2014:

Fully consolidated group companies:

Name	Country	Percentage of control	Percentage of interest	Main activity
Enovos International S.A.	Luxembourg	100.00%	100.00%	Holding company and shared service provider
Enovos Luxembourg S.A.	Luxembourg	100.00%	100.00%	Supply of power and gas
Creos Luxembourg S.A.	Luxembourg	75.47%	75.47%	Transport and distribution of gas and power
Enovos Re S.A.	Luxembourg	100.00%	100.00%	Reinsurance
Luxenergie S.A.	Luxembourg	60.35%	60.35%	Production of heat and power
Surré S.A.	Luxembourg	100.00%	60.35%	Production of heat and power
Windpark Mosberg GmbH & Co KG	Germany	100.00%	100.00%	Production of power
Enovos Deutschland SE	Germany	100.00%	100.00%	Holding company and shared service provider
Enovos Energie Deutschland GmbH	Germany	100.00%	100.00%	Supply of power and gas
Enovos Future GmbH	Germany	100.00%	100.00%	Facility management
Enovos Properties GmbH	Germany	100.00%	100.00%	Real estate
Enovos Storage GmbH	Germany	100.00%	100.00%	Gas Storage
Enovos Renewables GmbH	Germany	100.00%	100.00%	Holding company for power producers
Enovos Balance Deutschland GmbH	Germany	100.00%	100.00%	Supply of power and gas
Creos Deutschland Holding GmbH	Germany	98.03%	73.70%	Holding company and shared service provider
Creos Deutschland GmbH	Germany	100.00%	73.70%	Transport and distribution of gas
Creos Deutschland Services GmbH	Germany	100.00%	73.70%	Service provider
EnergieSüdwest AG	Germany	51.00%	51.00%	Supply of power, gas and heat
EnergieSüdwest Netz GmbH	Germany	100.00%	51.00%	Transport and distribution of gas, power, water and heat
EnergieSüdwest Projektentwicklung GmbH	Germany	100.00%	51.00%	Supply of heat / Provider of services in gas and power
Energiepark Trelder Berg GmbH	Germany	80.00%	80.00%	Production of power
La Benâte Energies S.à r.l.	France	100.00%	100.00%	Production of power
Enovos Solar Investment I S.r.l. Unipersonale	Italy	100.00%	100.00%	Production of power
Enovos Solar Investment II S.r.l. Unipersonale	Italy	100.00%	100.00%	Production of power
Leo S.A.	Luxembourg	100.00%	100.00%	Supply of power and gas
Ferme Eolienne de la Côte du Gibet S.à r.l.	France	100.00%	100.00%	Production of power
Real Estate Strassen S.A.	Luxembourg	100.00%	100.00%	Real estate
PNE Biogas Ohretal GmbH	Germany	80.00%	80.00%	Production of power
Solarkraftwerk Frauental GmbH	Germany	90.40%	53.75%	Production of power
PNE Biogas Oebisfelde GmbH	Germany	80.00%	80.00%	Production of power
Real Estate Enovos Esch S.A.	Luxembourg	100.00%	100.00%	Real estate
Enovos Real Estate Luxembourg S.A.	Luxembourg	100.00%	100.00%	Holding company
NPG Energy Group	Belgium	50.98%	50.98%	Production of heat and power

In 2014, EnergieSüdwest AG bought the shares of Creos Deutschland Holding GmbH held by Pirmasenser Luft- und Badepark GmbH for an amount of EUR 231,700. An additional goodwill of EUR 162,289 on Creos Deutschland Holding GmbH was recognized on that transaction.

The percentage of interest in Solarkraftwerk Frauental GmbH decreased from 90,4% to 53,75%, as Enovos Renewables Gmbh sold 74,8% of its stake to EnergieSüdwest AG.

NPG Energy Group increased its stake in one of its subsidiaries from 10% to 100%. A goodwill of EUR 1,022,859 was recognized on that operation.

Note 5 – Scope of consolidation and list of consolidated companies (cont.)

Companies consolidated under the equity method:

Name	Country	Percentage of control	Percentage of interest	Main activity
Global Facilities S.A.	Luxembourg	50,00%	50,00%	Facility management
Steinergy S.A.	Luxembourg	50,00%	50,00%	Supply of power
Soler S.A.	Luxembourg	50,00%	50,00%	Production of power
Cegyco S.A.	Luxembourg	50,00%	50,00%	Production of power
artelis S.A.	Luxembourg	36,95%	36,95%	Telecommunications
Nordenergie S.A.	Luxembourg	33,33%	33,33%	Supply of power
Airportenergy S.A.	Luxembourg	50,00%	30,18%	Production of heat and power
Datacenterenergie S.A.	Luxembourg	50,00%	30,18%	Production of heat and power
Twinerg S.A.	Luxembourg	17,50%	17,50%	Production of power
Aveleos S.A.	Luxembourg	59,02%	59,02%	Construction of solar parks
Kiowatt S.A.	Luxembourg	50,00%	30,18%	Production of power
Pfalzgas GmbH	Germany	50,00%	50,00%	Supply of energy
Projecta 14 GmbH	Germany	50,00%	50,00%	Holding company
energis GmbH	Germany	28,06%	28,06%	Supply of energy
Windpark Wremen GmbH & Co. KG	Germany	40,00%	30,20%	Production of power
SK Ahorn GmbH & Co. KG	Germany	39,00%	27,29%	Production of power
Suncoutim Solar Energy, S.A.	Portugal	34,09%	34,09%	Production of power

For Twinerg S.A., where less than 20% of voting rights are held, the Enovos Group exercises significant influence by virtue of its representation in the Board of Directors and the strategic interest that the activities represent for the group.

On 4th October 2013, Enovos Luxembourg S.A. took a stake of 34.09% in Suncoutim Solar Energie S.A., a Portuguese company which operates a photovoltaic plant near the town of Alcoutim in southern Portugal for a purchase price of EUR 17,045, and subsequently subscribed to an equity increase of EUR 1,548,344. The company became operational in 2014 and has been consolidated a first time in 2014 using the equity method.

In the context of the annual impairment testing process, the Board of Directors decided to post exceptional provisions and depreciations of goodwill and tangible and intangible assets held by of Enovos Luxembourg S.A., Energiepark Trelder Berg GmbH, Enovos Solar Investments I S.r.l. Unpersonale, Enovos Solar Investments II S.r.l. Unpersonale and Aveleos S.A. of EUR 92,758,419 (see also notes 4, 8, 9, 16 and 33).

Note 6 – Formation expenses and similar expenses

Formation expenses comprise expenses incurred in the course of the creation of the company.

Movements of the year are as follows:

	Total 2014	Total 2013
	€	€
Gross book value - opening balance	657,066	0
Additions for the year	592	657,066
Disposals for the year	(116,657)	0
Transfers for the year	233,819	0
Gross book value - closing balance	**774,820**	**657,066**
Accumulated value adjustment - opening balance	(86,321)	0
Allocations for the year	(125,548)	(86,321)
Reversals for the year	79,910	0
Transfers for the year	(197,410)	0
Accumulated value adjustment - closing balance	(329,369)	(86,321)
Net book value - closing balance	**445,451**	**570,744**

The Board of Directors considers that no value adjustments are needed as of 31st December 2014.

Note 7 – Intangible fixed assets

Movements for the year are as follows:

	Concessions, patents, licences, trademarks and similar rights and assets	Goodwill acquired for valuable consideration	Payments on account and intangible fixed assets under development	Total 2014	Total 2013
	€	€	€	€	€
Gross book value - opening balance	139,721,294	125,796,654	17,779,502	283,297,450	267,886,476
Additions for the year	4,808,469	3,983	3,332,195	8,144,647	15,597,207
Disposals for the year	(786,104)	0	0	(786,104)	(460,750)
Transfers for the year	17,137,491	0	(16,601,417)	536,074	55,319
Change in consolidation scope	580,353	0	0	580,353	219,198
Gross book value - closing balance	161,461,503	125,800,637	4,510,281	291,772,420	283,297,450
Accumulated value adjustments - opening balance	(42,632,456)	(41,979,334)	(1,778,993)	(86,390,782)	(71,190,410)
Allocations for the year	(8,311,613)	(8,414,501)	0	(16,726,114)	(15,557,291)
Exceptional depreciation for the year	(14,000,000)	0	0	(14,000,000)	0
Reversals for the year	0	0	0	0	460,750
Transfers for the year	(77,399)	0	0	(77,399)	(21,446)
Change in consolidation scope	(281,902)	0	0	(281,902)	(82,384)
Accumulated value adjustment - closing balance	(65,303,369)	(50,393,835)	(1,778,993)	(117,476,197)	(86,390,782)
Net book value - closing balance	**96,158,134**	**75,406,802**	**2,731,288**	**174,296,223**	**196,906,668**

On 1st January 2013, the group started buying a flat base load of 50 MW power from two pulverized coal fired power plants under the terms and conditions of a long term contract signed with RWE (see also note 37). Its part in the financing of the plants of EUR 89,466,245 has been fully paid up and is depreciated over a period of 25 years, which corresponds to the duration of the commitment. Due to a new assessment of the profitability of the contract in the context of the group's impairment testing process, the Board of Directors decided to recognize an exceptional depreciation of EUR 14,000,000 in 2014.

During the year, the implementation of a new portfolio management software tool has been finalized and depreciation has started. That project comprises the biggest part of the amount of EUR 16,601,417 transferred from the caption Assets under development.

The change in scope is due to the fist consolidation of an affiliate of NPG Group.

The Board of Directors is further of the opinion that no other value adjustments of the intangible fixed assets are necessary.

Note 8 – Tangible fixed assets

Movements for the year are as follows:

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Payments on account and tangible fixed assets under development	Total 2014	Total 2013
	€	€	€	€	€	€
Gross book value - opening balance	161,023,047	1,796,624,401	101,029,755	273,035,813	2,331,713,016	2,113,442,257
Additions for the year	5,531,137	45,936,275	6,070,205	148,852,530	206,390,147	196,898,147
Disposals for the year	(1,561,055)	(5,637,849)	(2,308,760)	(291,062)	(9,798,726)	(15,122,615)
Transfers for the year	63,846,564	78,895,695	(1,795,220)	(139,873,118)	1,073,921	(451,319)
Change in consolidation scope	0	13,773,758	0	0	13,773,758	36,946,546
Gross book value - closing balance	228,839,693	1,929,592,280	102,995,981	281,724,163	2,543,152,116	2,331,713,016
Accumulated value adjustment - opening balance	(68,855,031)	(1,001,450,538)	(69,113,248)	0	(1,139,418,817)	(1,091,054,785)
Allocations for the year	(4,886,707)	(61,125,743)	(7,053,227)	0	(73,065,677)	(60,822,770)
Exceptional depreciation for the year	0	(13,570,589)	0	0	(13,570,589)	0
Reversals for the year	888	1,476,680	2,053,357	0	3,530,925	14,625,271
Transfers for the year	(178,450)	(561,602)	2,096,684	0	1,356,632	66,851
Change in consolidation scope	0	(1,472,853)	0	0	(1,472,853)	(2,233,384)
Accumulated value adjustment - closing balance	(73,919,300)	(1,076,704,645)	(72,016,435)	0	(1,222,640,379)	(1,139,418,817)
Net book value - closing balance	**154,920,393**	**852,887,635**	**30,979,546**	**281,724,163**	**1,320,511,737**	**1,192,294,199**

Note 8 – Tangible fixed assets (cont.)

The additions consist mainly of investments in the gas and electricity grid in Luxembourg and in Germany, as well as into renewable energy generation capacity in Germany and Belgium.

The group is participating in the construction of the 11th turbine at the Vianden pumping station of SEO S.A. (see also note 37). This investment qualifies as a finance lease and consequently has been recorded in the books of the group. As of 31st December 2014, the group has recognized an amount of EUR 105,906,000 in its accounts. This amount is posted under the caption "*Payments on account and tangible fixed assets under development*" and a corresponding amount of EUR 101,247,153 is posted under the caption "*Other creditors becoming due and payable after more than one year*". Start-up of machine is delayed until summer 2015. The remainder of the caption "*Payments on account and tangible fixed assets under development*" mainly relate to grid investments in progress in Luxembourg and Germany.

In the context of the annual impairment testing process, the Board of Directors decided to post an exceptional depreciation of the assets of Energiepark Trelder Berg GmbH for EUR 6,801,713 and Enovos Solar Investments II S.r.l. Unipersonale for an amount of EUR 13,570,589.

The change in scope is due to the fist consolidation of an affiliate of NPG Group.

The Board of Directors is of the opinion that no further value adjustments of tangible fixed assets are necessary.

Note 9 – Financial fixed assets

9.1. Companies consolidated under the equity method

Companies consolidated under the equity method are companies in which the group has a significant influence. The undertakings consolidated accordingly break down as follows:

	31/12/2014 €	31/12/2013 €
energis GmbH	39,822,433	39,226,487
Aveleos S.A.	0	31,540,033
Suncoutim - Solar Energy, S.A.	1,333,669	0
Pfalzgas GmbH	21,154,501	21,855,388
Projecta 14 GmbH	19,235,444	18,563,371
artelis S.A.	14,118,109	13,841,277
Twinerg S.A.	6,158,959	5,396,716
Soler S.A.	4,027,051	4,894,617
Datacenterenergie S.A.	2,902,667	2,664,198
Kiowatt S.A.	1,736,102	1,496,491
Windpark Wremen GmbH & Co. KG	1,222,789	1,188,296
SK Ahorn GmbH & Co. KG	1,464,098	1,347,310
Cegyco S.A.	1,633,290	1,318,068
Global Facilities S.A.	1,326,880	1,228,962
NPG Willebroek NV	671,884	0
Nordenergie S.A.	344,396	249,871
Steinergy S.A.	195,442	164,653
Airportenergy S.A.	98,282	6,327
	117,445,995	**144,982,066**

In the context of the current investigations and process conducted by the Italian authorities, the Board of Directors decided to completely depreciate the financial assets of Aveleos S.A. for EUR 31,540,033 (see also note 5).

Note 9 – Financial fixed assets (cont.)

9.2. Investments carried at cost

Investments carried at cost are recorded at acquisition cost. This caption also includes companies which are not consolidated because of minor significance or for which the activities have not yet started as at 31st December 2014:

Name	Location	2014 Percentage owned	2014 Net value €	2013 Percentage owned	2013 Net value €
Stadtwerke Bad Kreuznach GmbH	Germany	24.52%	15,000,000	24.52%	15,000,000
Stadtwerke Pirmasens Versorgungs GmbH	Germany	12.99%	6,667,000	12.99%	6,667,000
Enovos Pfalzwerke BG St. Ingbert GmbH	Germany	50.00%	5,000,000	50.00%	5,000,000
Pfalzwerke AG	Germany	1.86%	4,628,000	1.86%	5,206,000
Stadtwerke Trier Versorgungs GmbH	Germany	24.90%	4,439,255	24.90%	4,202,008
Neustromland Energieprojekt 2 GmbH & Co. KG	Germany	100.00%	4,201,000	100.00%	1,000
Stadtwerke Sulzbach GmbH	Germany	15.00%	3,982,062	15.00%	3,982,062
Stadtwerke Völklingen Netz GmbH	Germany	17.60%	3,136,000	17.60%	3,500,000
Energie Südpfalz GmbH & Co. KG	Germany	50.00%	2,899,712	50.00%	2,899,712
Solarkraftwerk Barderup GmbH & Co. KG	Germany	32.43%	2,882,469	26.10%	2,310,157
GasLINE GmbH & Co. KG	Germany	5.00%	2,017,612	5.00%	2,017,612
Seo S.A.	Luxembourg	4.46%	1,971,596	4.46%	1,971,596
Neustromland Solarkraftwerk 1 GmbH & Co. KG	Germany	100.00%	1,401,000	100.00%	1,401,000
Stadtwerke Bliestal GmbH	Germany	23.50%	1,333,000	23.50%	1,333,000
SWT Erneuerbare Energien GmbH & Co. KG	Germany	49.00%	1,323,000	49.00%	1,323,000
Bioenergie Merzig GmbH	Germany	39.00%	1,277,250	39.00%	1,277,250
Stadtwerke Völklingen Vertrieb GmbH	Germany	17.60%	1,100,000	17.60%	1,100,000
Solarpark Nordband GmbH & Co. KG	Germany	100.00%	891,000	100.00%	1,000
Solar Kraftwerk Kenn GmbH	Germany	25.10%	757,779	25.10%	782,879
Windpark Meckel/Gilzem GmbH & Co. KG	Germany	34.00%	560,340	34.00%	220,340
Trifels Gas GmbH	Germany	49.00%	492,250	49.00%	12,250
CASC EU S.A.	Luxembourg	7.14%	430,000	7.14%	430,000
Encasol S.A.	Luxembourg	50.00%	320,000	50.00%	320,000
Stadtwerke Lambrecht GmbH	Germany	15.00%	239,480	15.00%	237,278
Stadtwerke Homburg GmbH	Germany	10.67%	233,452	10.67%	406,354
Learning Factory S.A.	Luxembourg	32.90%	200,000	32.90%	200,000
Neustromland GmbH & Co. KG	Germany	5.56%	150,000	5.26%	150,000
energieagence S.A.	Luxembourg	40.00%	148,736	40.00%	148,736
GuD KW Krefeld GmbH	Germany	-	147,024	-	147,024
EnergieSüdpfalz PV-Anlage Leinefelde-Worbis GmbH & Co. KG	Germany	70.00%	144,950	70.00%	144,950
Solarpark St. Wendel GmbH	Germany	15.00%	142,500	15.00%	142,500
City Mov S.à r.l.	Luxembourg	100.00%	131,098	34.00%	11,098
Blue Wizzard Beteiligungsverwaltungsgesellschaft GmbH	Germany	100.00%	50,000	100.00%	50,000
NPG Groningen NV	Netherlands	85.00%	38,250	85.00%	38,250
Windpark Gimbweiler & Mosberg Infr. GbR	Germany	60.00%	34,672	50.00%	33,892
SSG Saar Service GmbH	Germany	10.00%	32,565	10.00%	32,565
Enovos Power GmgH	Germany	100.00%	25,000	100.00%	0
Enovos Generation GmbH	Germany	100.00%	25,000	100.00%	25,000
Enovos Power Beteiligung GmbH	Germany	100.00%	25,000	100.00%	25,000
ESW - Grüne Energie GmbH	Germany	100.00%	25,000	100.00%	25,000
VG Offenbach Verwaltung GmbH	Germany	100.00%	25,000	100.00%	25,000
Neustromland Solarkraftwerk 1 VG GmbH	Germany	100.00%	25,000	100.00%	25,000
Windpark Mosberg Verwaltungs GmbH	Germany	100.00%	25,000	100.00%	25,000
Windpark Bliesgau GmbH	Germany	100.00%	25,000	100.00%	25,000
Enovos Participations GmbH	Germany	100.00%	25,000	100.00%	25,000
Neustromland Projekt 1 GmbH	Germany	100.00%	25,000	100.00%	25,000
Neustromland Projekt 2 GmbH	Germany	100.00%	25,000	100.00%	25,000
Enovos Projektgesellschaft 1 GmbH	Germany	100.00%	25,000	100.00%	25,000
Enovos Projektgesellschaft 2 GmbH	Germany	100.00%	25,000	100.00%	25,000
Solarkraftwerk Wunstorf GmbH	Germany	100.00%	25,000	49.00%	12,250
Gastmotive Erdgastankstellen GmbH & Co. KG	Germany	11.70%	17,500	11.70%	35,000
EnergieSüdpfalz Shared Service GmbH	Germany	64.00%	16,000	64.00%	16,000
Energie Südpfalz Verwaltung GmbH	Germany	50.00%	12,500	50.00%	12,500
C-Gen NV	Netherlands	5.00%	5,400	5.00%	5,400
gastmotive Erdgastankstellen GmbH	Germany	11.70%	2,925	11.70%	2,925
GasLINE Geschäftsführungs GmbH	Germany	5.00%	1,278	5.00%	1,278
Neustromland Energieprojekt 1 GmbH & Co. KG	Germany	100.00%	1,000	100.00%	1,000
VG Offenbach GmbH & Co. KG	Germany	100.00%	100	100.00%	100
Forward Forstservice GmbH	Germany	33.00%	1	33.00%	1
prego services GmbH (**)	Germany	25.10%	0	25.10%	1,712,915
Suncoutim Solar Energy S.A. (***)	Portugal	34.09%	0	34.09%	1,496,604
NPG Green NV (*)	Belgium	100.00%	0	10.00%	236,875
Alro Solar n.v. (**)	Belgium	0.00%	0	10.00%	183,125
Cegedel International S.A.	Luxembourg	100.00%	0	100.00%	31,000
			68,809,756		**66,747,485**

(*) Company fully consolidated in 2014
(**) participation sold in 2014
(***) company consolidated under the equity method in 2014

Note 9 – Financial fixed assets (cont.)

Energie Südwest AG increased its equity in Winpark Meckel/Gilzem Gmbh & Co.KG and Trifels Gas GmbH by EUR 360,000 and EUR 480,000 respectively.

Enovos Renewables GmbH increased its equity in photovoltaic companies by a total amount of EUR 6,912,541, of which EUR 4,200,000 in Neustromland Energieprojekte 2 GmbH & CoKG, EUR 890,000 in Solarpark Nordband GmbH & CoKG, EUR 572,312 in Solarkraftwerk Baderup GmbH & CoKG and EUR 25,000 in Solarkraftwerk Wunstorf GmbH.

On 1st August 2014, the group acquired the remaining 66% of City Mov' S.à r.l. for EUR 120,000. The purpose of the company is the rental of electricity vehicles in self-service.

As Suncoutim Solar Energie S.A. started its operations in 2014, the company has been integrated in the consolidation scope and its assets transferred to the caption "Companies consolidated under the equity method".

In the context of the annual impairment testing process, the Board of Directors decided to post an exceptional depreciation of the shares held in Stadtwerke Völklingen Netz GmbH of EUR 364,000, in Pfalzwerke AG of EUR 578,000 and in Gastmotive Erdgastankstellen GmbH & Co. KG of EUR 17,500. Furthemore, the assets of Cegedel International S.A. of EUR 31,000 were completely depreciated.

The Board of Directors is of the opinion that no further value adjustments are necessary for these investments.

Note 10 – Inventories

Raw materials of EUR 18,537,279 (2013: EUR 12,804,367) consist mainly of parts inventories of Creos Luxembourg S.A. and of feedstock of the green electricity production companies.

Work and contracts in progress of EUR 13,535,515 (2013: EUR 17,318,379) are mainly made up of work in progress for grid customers by Creos Luxembourg S.A. which will be invoiced to customers once finished.

Finished goods of EUR 31,570,287 (2013: EUR 33,664,240) mainly consist of gas stocks held in France and Germany. A value adjustment of EUR 2,278,600 has been recognized in 2014 (2013: EUR 648,127).

Note 11 – Debtors

11.1. Trade receivables

Trade receivables are mainly related to energy sales, transportation and distribution of electricity and gas.

	31/12/2014 €	31/12/2013 €
Trade receivables - Gross value	397,778,105	477,076,146
Value adjustment	(21,487,827)	(16,440,057)
Trade receivables - Net value	**376,290,278**	**460,636,089**

11.2. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests

Receivables due by undertakings with which the group is linked by virtue of participating interests are mainly due within 30 days and relate to commercial activities.

Note 11 – Debtors (cont.)

11.3. Other receivables

This caption mainly includes tax receivable in Luxembourg of EUR 27,190,105 (2013: EUR 36,442,271) and in Germany of EUR 14,013,026 (2013: EUR 26,741,097).

Furthermore, VAT recoverable in Luxembourg amounts to EUR 6,567,035 (2013: EUR 10,372,440).

As of 31st December 2014, this caption also comprises a receivable on the "Institut Luxembourgeois de Régulation" ("ILR") of EUR 12,761,393 (2013: EUR 16,691,620) in the context of the mechanism of the "Fond de compensation" for Creos Luxembourg S.A..

11.4 Deferred tax assets

Deferred tax assets for a total of 2,765,000 (2013: EUR 2,552,000) have been computed on the German companies part of the fiscal unity of Enovos Deutschland SE as a result of the fiscal loss in 2013 and 2014. The amount is expected to be recovered with future taxable profits.

Deferred tax assets for a total of EUR 2,800,000 (2013: EUR 0) have been computed on behalf of those companies part of the fiscal unity of Enovos International S.A. as a result of the fiscal loss in 2014.

Deferred tax assets for a total of EUR 1,027,153 have been computed by Enovos Solar Investment II S.r.l. Unipersonale as a result of the fiscal loss in 2014.

Deferred tax assets for a total of EUR 314,901 have been computed by NPG Group as a result of the fiscal loss in 2014.

Note 12 – Transferable securities

Transferable securities held as fixed assets relate to a portfolio of equities and bonds held until maturity whereas securities posted in current assets relate to money market investments.

Note 13 – Cash at bank, cash in postal cheque accounts, cheques and cash in hand

This caption comprises sight deposits and term deposits for investment periods of less than three months.

Note 14 – Prepayments

As of 23th May 2011, the Company has entered into three interest rate swaps (IRS) for an aggregate nominal amount of EUR 200 million and a final maturity 7 years later, in order to hedge a long term financing initially planned for September 2011. Since the planned financing has been postponed to May 2012, the IRS have been extended up to this date. As the EUR 200 million bond was definitely launched in May 2012 and issued on 15th June with a maturity in 2019, the three IRS contracts have been unwound and the related costs of EUR 23.9 million were deferred, as part of the financing fees, over the life time of the underlying retail bond financing. As of 31st December 2014, an amount of EUR 15,239,857 was posted under the caption "Prepayments" (2013: EUR 18,658,143).

In 2014, this caption also includes a prepaid gas quantity for EUR 27,405,789 in the context of the execution of a make-up clause in the group's long term gas contracts.

EUR 12,082,732 are related to clearing accounts linked to the portfolio management and trading activities (2013: EUR 3,776,076).

Note 14 – Prepayments (cont.)

Creos Luxembourg S.A., according to the regulation scheme, a cumulated difference (2014 and prior years) is calculated individually for each regulated activities (electricity, gas transport, gas distribution, metering electricity, metering gas) and is provided for, when positive, in the caption "Prepayments" for an amount of EUR 3,514,538 (2013: EUR 2,860,584) and when negative, in the caption "Deferred income" for an amount of EUR 21,168,952 (2013: EUR 20,667,847).

Note 15 – Capital and reserves

As at 31st December 2014, the share capital of Enovos International S.A. amounted to EUR 90,962,900. It was fully paid-up and was represented by 909,629 ordinary shares (2013: 909,629), with a nominal value of EUR 100 per share and with no preferential rights.

The group is required to allocate a minimum of 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

Consolidated capital and reserves, group share

	31/12/2013 €	Distribution of dividends €	Appropriation of profit €	Change in scope €	Other €	Profit for the year €	31/12/2014 €
Subscribed capital	90,962,900	0	0	0	0	0	90,962,900
Share premium	387,028,449	0	0	0	0	0	387,028,449
Consolidated Reserves	425,478,665	0	32,663,901	(730,120)	(152,672)	0	457,259,773
Legal Reserve	*9,096,290*	0	*0*	0	0	0	*9,096,290*
Reserve of 1st consolidation	*(57,960,816)*	0	*0*	*0*	0	0	*(57,960,816)*
Consolidation reserves	*409,411,039*	0	*32,663,901*	*(730,120)*	*(152,672)*	*0*	*441,192,147*
Other reserves	*64,932,152*	0	*0*	0	*0*	*0*	*64,932,152*
Retained earnings	8,936,930	0	(6,442,099)	0	0	0	2,494,831
Capital investment subsidies	6,182,148	0	0	0	(614,956)	0	5,567,192
Profit for the year	75,341,768	(49,119,966)	(26,221,802)	0	0	5,794,026	5,794,026
Total shareholder's equity Group share	**993,930,859**	(49,119,966)	**0**	**(730,120)**	**(767,628)**	**5,794,026**	**949,107,171**
Minority interest	205,470,134	(11,277,060)	0	419,935	(222,894)	20,736,943	215,127,058
Total shareholder's equity	**1,199,400,993**	(60,397,026)	**0**	**(310,185)**	**(990,522)**	**26,530,968**	**1,164,234,229**

The caption "Change in scope" mainly comprises the impact on minority interest of the rate change of Solarkraftwerk Frauental GmbH and the first consolidation of Suncoutim Solar Energy S.A..

Note 16 – Provisions

16.1. Provisions for pensions and similar obligations

This caption includes provisions relating to pension commitments. Under a supplementary pension scheme, Enovos International S.A., Enovos Luxembourg S.A., Creos Luxembourg S.A., Enovos Deutschland SE and its subsidiaries and Creos Deutschland Holding GmbH and its subsidiaries have contracted defined benefit schemes. The amount reported in the balance sheet is based on the following assumptions:

- retirement age taken into account for financing: 60 years (for Luxembourg), 62 years (for Germany);
- yearly discount rate of 4.2%;
- estimated salary at time of retirement based on past experience.

Actuarial profits and losses are immediately recognised in the income statement.

Note 16 - Provisions (cont.)

Whereas in Luxembourg, the application of the group assumptions has been accepted by the tax authorities, there is a difference in Germany between local accounting standard HGB and group assumptions. Consequently, consolidated pension provisions booked under group assumptions are lower than those booked locally under HGB by EUR 12,447,909 (2013: EUR 11,600,622).

16.2 Other provisions

The caption "Other provisions" comprises provisions to cover the following risks:

	31/12/2014 €	31/12/2013 €
Provisions for regulatory and environmental risks	37,882,835	34,399,116
Provisions for purchases	833,120	1,129,469
Provisions for staff costs	15,585,909	11,427,400
Provisions for sales risks	14,523,402	813,074
Provisions for derivatives	1,595,975	7,011,655
Provisions for litigation	2,131,043	637,993
Other provisions	24,295,018	8,963,958
	96,847,302	**64,382,664**

The caption "Provision for sales risks" comprises EUR 14,027,458 related to sales risks in Germany.

The sub-caption "Other provisions" comprises a provision of EUR 15,050,000 related to guarantees issued in the context of Aveleos S.A. (see also notes 5, 33 and 37).

Note 17 – Non convertible debenture loans

On 15th June 2012, Enovos International S.A. issued a public bond of EUR 200,000,000 which is listed on the secondary Euro MTF market in Luxembourg. The bond bears an interest of 3,75% and will be entirely redeemed on 15th June 2019. Interests on the coupons are paid on 15th June of every year from 2013 to 2019. The accrued interest payable as at 31st December 2014 amounts to EUR 4,062,500 (2013: EUR 4,062,500).

Furthermore, on 26th June 2013, the Company issued a German Certificate of Indebtedness ("Schuldschein") of EUR 102 million with tenors of 7, 10, 12 and 15 years. The Schuldschein bears a floating interest rate for the 7 year tenor and a fixed interest rate of 2.81%, 3.22% and 3.5% for the 10, 12 and 15 years tenors respectively. The interests for the floating 7 years tenor are paid twice a year in June and December whereas the interests on the fixed tenors are paid in June every year. The interests are appropriately provisioned in the accounts. The accrued interests payable as at 31st December 2014 amount to EUR 1,068,865 (2013: EUR 1,082,739).

On 21th November 2014, the Company issued an additional German Certificate of Indebtedness ("Schuldschein") of EUR 80 million with tenors of 7, 10 and 12 years. The Schuldschein bears a fixed interest rate for the 7 years of 1.547%, 2.004% for the 10 years and 2.297% for 12 years. The interests on the fixed tenors are paid in November every year. The accrued interests payable as at 31st December 2014 amount to EUR 156,120.

	Within one year €	After one year and within five years €	After more than five years	Total 2014 €	Total 2013 €
Non-convertible debenture loans	5,418,307	200,000,000	182,000,000	387,418,307	307,838,796
Total	**5,418,307**	**200,000,000**	**182,000,000**	**387,418,307**	**307,838,796**

Note 18 – Amounts owed to credit institutions

To guarantee sufficient liquidity to the main group companies, Enovos International S.A. has contracted in November 2013 a 3 year syndicated revolving credit facility ("RCF") amounting to EUR 180 million with 6 banks, with an option to extend by another 2 years until November 2018. The amount drawn of the committed RCF as of 31st December 2014 is EUR 0 (2013: EUR 40,000,000). In November 2014, all participating banks agreed to extend the maturity until November 2017. In addition the Company has a medium term credit facility in place with one of the banks, maturing in May 2015, for an amount of EUR 20 million, amount fully drawn as of 31st December 2014.

Interests rate to be paid are based on Euribor plus a margin of 0.5% which may vary depending on the consolidated gearing ratio (ratio of net financial debt to equity on a consolidated base) as well as on the utilization rate of the credit facility.

To finance its building in Esch-sur-Alzette, Real Estate Enovos Esch S.A. has contracted a long term loan of EUR 27,000,000 million reimbursable at the latest 30th September 2034. Interest rates are based on Euribor 6 months plus a margin.

The change in scope of NPG Energy Group increased the financial liabilities by an amount of EUR 7,329,343, thereof EUR 6,653,483 are due in more than one year.

The amounts owed to credit institutions break down as follows:

	31/12/2014 €	31/12/2013 €
Current financial liabilities due to financial institutions		
due within one year	34,022,954	78,143,807
Non-current financial liabilities due to financial institutions		
due within one to five years	24,602,858	31,832,514
due in more than five years	70,919,121	34,891,926

Note 19 – Payments received on account of orders

Are recorded under this caption payments made by customers for services rendered.

Note 20 – Trade creditors

Trade creditors are mainly related to energy purchases / supplies and trading activities.

Note 21 – Amounts owed to undertakings with which the group is linked by virtue of participating interests

Amounts owed to undertakings with which the group is linked by virtue of participating interests are usually due within 30 days, and related largely to commercial activities.

Note 22 – Tax and social security debts

This caption includes corporate income taxes, value added tax (VAT) liabilities, taxes on gas and electricity sales, and social taxes on pensions and salaries.

Enovos International S.A. is subject to all taxes applicable to Luxembourg companies and the tax provisions have been provided in accordance with the relevant laws. Since 2009, Enovos International S.A. is part of the fiscal unity with Enovos Luxembourg S.A., Cegedel International S.A. and Enovos Ré S.A.. Beginning 2012, LEO S.A. has joined that fiscal unity. In 2014, Enovos Real Estate Luxembourg S.A. and Real Estate Enovos Esch S.A. have joined the fiscal unity. In the frame of the fiscal unity, the taxes in the accounts are recorded as follows:

- Tax expenses are booked in the subsidiaries' accounts as would be the case if no tax unity exists;
- Tax savings relating to a loss-making subsidiary are reallocated to this subsidiary in the same year as the loss arises; these tax savings are recorded as income in the head of the fiscal unity;
- Enovos International S.A., as the head of the fiscal unity, books the tax provisions on the basis of the consolidated results of the companies included in the scope of the fiscal unity.

In order to benefit from the fiscal unity regime, the companies concerned have agreed to be part of the fiscal unity for a period of at least five financial years. This means that if the conditions laid down in Article 164bis LIR (Income tax law) are not met at any time during these five years period, the fiscal unity ceases to apply, retroactively, as from the first year in which it was granted.

Note 23 – Deferred income tax

The deferred income tax liability is mainly related:

- to the different depreciation methods used in consolidated accounts (linear) compared with the statutory accounts (degressive) of several group companies;
- to the different calculation method of the pension obligations in consolidated accounts compared with statutory accounts of several group companies;
- to a provision reversal at Enovos Re S.A. in the consolidated accounts.

Note 24 – Other creditors

Other creditors are mostly becoming due and payable after more than one year. In the course of the financing agreement reached with SEO S.A. over the financing of the 11th turbine at the Vianden pumping station of SEO, an amount of EUR 101,247,153 (2013: EUR 98,162,146) has been posted under this caption in 2014 (see note 8).

The group has a long-term liability to the city of Landau of EUR 10,597,000 (2013: EUR 11,702,000) in the context of the acquisition of EnergieSüdwest AG.

Furthermore, as of 31st December 2014, Enovos Deutschland SE has a long term liability of EUR 1,700,000 towards "Pensionskasse der Enovos Deutschland VVaG" (2013: EUR 1,700,000).

Note 25 – Deferred income

Same as in 2013, this caption mainly includes derivatives used to hedge operations to be settled in subsequent years and advance payments by customers.

In addition, as described in note 14, Creos Luxembourg S.A. has posted under this caption an amount of EUR 21,168,952 (2013: EUR 20,667,847) related to the regulated activities.

Note 26 – Use of merchandise, raw materials and consumable materials

	2014 €	2013 €
Electricity supplies	1,622,190,892	1,893,403,095
Trading sales	(802,313,170)	(639,884,791)
Gas supplies	1,087,674,982	1,002,427,338
Other supplies	248,020,580	306,017,121
Derivatives	16,004,770	17,341,700
Total Raw materials and consumables	**2,171,578,054**	**2,579,304,462**

This caption includes energy procurement and electricity trading costs. Electricity and gas trading sales are shown net of cost of sales, since they were made partly to reduce procurement costs.

The margin achieved on trading activities is therefore included under "Use of merchandise, raw materials and consumable materials", as well as the realised profit or loss and the unrealised loss on derivative financial instruments.

Note 27 – Other external charges

This caption includes among others, professional fees, subcontracting and maintenance costs, marketing and communication costs, rental costs and insurance premiums.

Note 28 – Staff costs

The group had on average 1,427 employees in 2014 (2013: 1,401). The figure in 2014 includes the staff of the City of Luxembourg made available to Creos Luxembourg S.A. (117 employees), the costs of which are shown under wages and salaries for EUR 11,019,164 (2013: EUR 12,312,680).

Note 29 – Net turnover

Sales break down is as follows:

	2014 €	2013 €
Sales electricity	1,559,107,166	1,664,034,638
Sales gas	825,626,904	1,112,075,927
Other energy sales	24,203,039	29,625,435
Grid sales electricity	31,772,677	28,244,916
Grid sales gas	78,008,005	61,034,132
Other sales	69,685,078	58,788,103
Rebates & discounts	(3,468,664)	(3,202,313)
Total sales	**2,584,934,206**	**2,950,600,837**

Other sales include sales of services to electricity and gas customers like metering and costs for grid connections. Sales relating to gas and electricity trading on the international market are shown net of purchases under "Raw materials and consumables".

Note 29 – Net turnover (cont.)

Geographical sales break down as follows:

	2014 €		2013 €	
Luxembourg	865,171,152	33.47%	1,013,013,639	34.33%
Germany	1,524,466,757	58.98%	1,713,768,581	58.08%
France	122,274,263	4.73%	164,364,352	5.57%
Belgium	66,012,088	2.55%	50,630,065	1.72%
Other countries	7,009,946	0.27%	8,824,200	0.30%
Total sales	**2,584,934,206**	**100.00%**	**2,950,600,837**	**100.00%**

Note 30 – Other operating income

The caption "Other operating income" includes mainly the activities unrelated to the supply of gas and electricity.

Note 31 – Income from financial fixed assets, other interest and other financial income, interest and other financial charges

Income from financial fixed assets relates to dividends received from not consolidated entities. Other interest and financial income is mostly composed of interests received on short-term bank deposits.

The caption "Interest and other financial charges" is mostly composed of interests paid on bank loans, on the public bond and on the German certificate of indebtedness, as well as of the depreciation of the hedge costs related to the bond issue.

Note 32 – Share in result of companies accounted under the equity method

The share in result of companies accounted under the equity method breaks down as follows:

	2014 €	2013 €
energis GmbH	7,865,499	7,240,848
Pfalzgas GmbH	2,999,113	3,672,550
Projecta 14 GmbH	1,122,944	450,871
artelis S.A.	1,015,833	990,975
Twinerg S.A.	762,242	(1,837,569)
Global Facilities S.A.	547,918	490,877
Cegyco S.A.	315,221	211,826
Datacenterenergie S.A.	238,469	(435,796)
NPG Willebroek NV *	182,574	0
Solarkraftwerk Ahorn GmbH & Co. KG	116,697	(7,399)
Nordenergie S.A.	102,524	118,400
Airportenergy S.A.	91,955	87,340
Steinergy S.A.	55,789	67,880
Windpark Wremen GmbH & Co. KG	34,493	(5,908)
Suncoutim - Solar Energy S.A. **	10,439	0
Aveleos S.A. ***	0	(509,002)
Kiowatt S.A.	(62,189)	(196,857)
Soler S.A.	(867,566)	39,142
Total	**14,531,954**	**10,378,179**

(*) consolidated using the at equity method in NPG Energy Group (subconsolidation)

(**) new entity in consolidation scope 2014

(***) no 2014 data available

Note 33 – Extraordinary income and charges, reversal of value adjustments on elements of current assets

In the context of the annual impairment testing process, the Board of Directors decided to depreciate its financial commitment in Aveleos S.A. for an amount of EUR 47,817,649, covering the financial asset of EUR 31,540,033, a shareholder loan of EUR 1,227,616 and off-balance sheet guarantees of EUR 15,050,000 (see also note 5), and to make a value adjustment of EUR 990,500 on several investments held at cost by Enovos Deutschland SE and by Enovos International S.A. (see also note 9).

The caption Extraordinary income comprises capital gains from the sale of the participations in European Energy Exchange AG and prego services GmbH of EUR 1,712,000 and EUR 3,587,085 respectively.

Note 34 – Current and deferred income tax expense

The current tax provisions have been provided in accordance with the relevant laws applicable in Luxembourg, Germany, Belgium, France and Italy.

Deferred taxes are recorded on the time differences existing between the tax rules and those used for preparing the consolidated annual accounts. Deferred taxes are calculated in accordance with the variable carrying forward method based on the tax rate expected at the time that the receivable or liability materialises. Active deferred taxes are recorded only if it is likely that future taxable profits will be available.

Note 35.1 – Remuneration paid to members of the administration and management bodies

Remuneration paid to members of the management and supervisory bodies of Enovos International S.A. totalled EUR 612,101 in 2014 (2013: EUR 564,400). No advances nor loans were granted to members of the administration and supervisory bodies, nor was any commitment undertaken on their behalf in respect of any form of guarantee.

Note 35.2 – Auditor's fees

Audit and audit-related fees for the year 2014 amount to EUR 533,300 (2013: EUR 522,000).

Note 36 – Financial derivatives

The group is further engaged in spot and forward electricity and gas trading on organised markets and by private sales. These transactions are made using different instruments. Among these instruments are forward contracts, which imply final delivery of electricity and gas, swap contracts, which entail promises of payment to and from counterparties in conjunction with the difference between a fixed price and a variable price indexed on underlying products, options or other contractual agreements.

These contracts are not accounted for in the balance sheet as the group has opted to not apply the option to use fair value accounting in its annual accounts. Only the unrealized losses are accounted for in income statements according to principles disclosed in Note 1 to the accounts.

Derivative financial instruments – Sell positions

	31/12/2014 €	31/12/2013 €
Financial derivatives on electricity futures	118,451,168	298,331,425
Other financial derivatives	2,080,819	3,547,620
Total	**120,531,988**	**301,879,045**

Derivative financial instruments – Buy positions

	31/12/2014 €	31/12/2013 €
Financial derivatives on electricity futures	(116,392,274)	(289,688,648)
Other financial derivatives	(4,746,804)	(18,326,858)
Total	**(121,139,078)**	**(308,015,507)**

The total nominal value (purchases and sales) of derivatives contracts and the net fair value break down as follows:

	31/12/2014 €		31/12/2013 €	
	Nominal value	Fair value	Nominal value	Fair value
Financial derivatives on electricity futures	946,712,336	2,058,895	2,277,920,730	8,642,778
Other financial derivatives	56,368,104	(2,665,985)	114,253,415	(14,779,239)

The net fair value of the derivative contracts amounts to EUR - 607,090. A provision of EUR 1,595,975 is recorded in the books of the group to account for this negative position (see also note 16.2. – Other provisions).

Note 37 – Off-balance sheet liabilities and commitments

Enovos International S.A. has given customary parental support letters to a few energy providers and trading counterparts of Enovos Luxembourg S.A.. For electricity and gas trades Enovos International S.A. has issued customary letters of support to a few trading counterparties of Enovos Luxembourg S.A. amounting to EUR 105,3 million (2013: EUR 50 million).

Enovos International S.A. has signed a bank guarantee for Solarkraftwerk Kenn GmbH, a 25.1% subsidiary of Enovos Deutschland SE., for an initial loan amounting to EUR 15,071,000 in 2009; at the end of 2014 the remaining principal amounted to EUR 10,882,624 (2013: EUR 11,710,848). Enovos International S.A. received from Stadtwerke Trier a counter guarantee valued at EUR 5,550,138 on 31st December 2014 (2013: EUR 5,972,532).

Under the shareholder agreements to which Enovos International S.A. is a signatory, and as mentioned in the bylaws of the Company, the Luxembourg State (the "State"), and/or the SNCI, a Luxembourg public law banking institution, shall obtain at any time upon one or more successive requests from the State individually or the State and the SNCI jointly, if applicable each time for a portion (and regardless of the level of participation of Enovos International in the subsidiaries) a direct participation and if so requested even a qualified (e.g. two third) majority in the share capital of Creos Luxembourg S.A. and the shareholders shall take the necessary actions, resolutions and approvals to be taken to such effect (including by Enovos International S.A.) and in particular to cause the resolutions of the shareholders and/or the subsidiaries to be taken in order to allow the State and/or the SNCI to obtain the participation(s) as set forth here above in one or more successive operations. All transactions necessary in that respect must respect the arm's length principle.

The State and/or the SNCI, as applicable, agree not to transfer for commercial reasons, during a period of ten (10) years, starting at the date of the acquisition of the relevant shares in Creos Luxembourg S.A., all or part of the shares it/they has/have acquired in the share capital of the grid group, subject to certain exceptions, including transfers between the State and SNCI, transfers to their affiliates or municipalities or public bodies or transfers pursuant to legal or regulatory constraints or a court order. Subject to the same exceptions, if at any time after the above 10 year period, the State and/or the SNCI (or the affiliates, municipalities or public bodies referred to in the preceding sentence), as applicable, propose to make a transfer of all or part of such shares Enovos International S.A. has a pre-emption right over such shares.

Transfer of shares in Enovos International S.A. by the shareholders will be subject to pre-emption rights (with certain exceptions in case of transfer to affiliates) which are largely reflected in the Articles of Association of Enovos International S.A.. The same pre-emption rights apply in case of a change of control of a shareholder.

Enovos Luxembourg S.A. concluded a number of forward contracts for the purchase and sale of electricity and gas as part of its usual operations. The Company thus has contracted purchase commitments for physical delivery of electricity and gas amounting to EUR 1,840 million as of 31st December 2014 (2013: EUR 1,793 million). The amount of the above forward purchase contracts include only forward contracts signed with counterparties. In addition the Company concluded several long term gas sourcing contracts until 2016 amounting to EUR 818 million as of 31st December 2014 (2013: EUR 1,513 million) and long term electricity sourcing contracts amounting to EUR 152 million (2013: EUR 251 million). In addition Enovos Luxembourg S.A. has Natural Gas purchase commitments until 2025 for a volume of 63 TWh for which prices will be settled during contract renegotiations. The cross border gas transport capacity commitments account for EUR 102 million and run until 2025 (2013: EUR 93 million).

In the context of an investment participation (finalised in 2012) in two pulverised coal fired power plants of RWE AG, Enovos Luxembourg S.A. also committed to buy a flat base load of 50 MW of electricity per year until the year 2037.

For its activities as an electricity distributor in Belgium, Enovos Luxembourg S.A. is obliged to deliver a certain amount of quota (green) certificates and guarantee of origin certificates to the local regulators. In order to respect its obligations, the Company, as of 31st December 2014, has a commitment, for the period 2015-2020, to purchase certificates valued at EUR 20.5 million from producers of alternative sources of energy.

Note 37 – Off-balance sheet liabilities and commitments (cont.)

Enovos Luxembourg S.A. has issued a counter-guarantee for Electrabel S.A.'s benefit and in relation to the financing of the Twinerg combined turbine power plant for a total amount of EUR 2,812,343 as at 31st December 2014 (2013: EUR 4,595,625). A further counter-guarantee of EUR 2,100,000 has been issued for GDF-Suez, also in relation with the financing of Twinerg (2013: EUR 2,100,000).

On 24th December 2013 Enovos Luxembourg S.A. further agreed to cover financial needs of Twinerg up to EUR 8.5 million for the upcoming years and partially guaranteed by a bank for an amount of EUR 5.8 million at 31st December 2014. Similar commitments were agreed to by the other shareholders of Twinerg.

Enovos Luxembourg S.A. took over a commitment related to a Memorandum of Understanding signed with SEO S.A., RWE Power AG and the State of Luxembourg for the enlargement of the Vianden pumping station. Enovos Luxembourg S.A. will thus have the right to 100 MW on a virtual basis that is half the production of a new turbine to be built. Under an amendment dated 16th June 2011 the group committed to finance for the part of its rights in the Vianden pumping station the bank loan contracted by SEO S.A.. During 2013 additional financing was required and Enovos Luxembourg S.A. granted to SEO S.A. two loans amounting to EUR 20,500,000, thereof EUR 1,000,000 was still undrawn as of 31st December 2014.

Enovos Luxembourg S.A. has issued to the lenders of Biopower Tongeren NV a guarantee for a total amount of EUR 5,892,186 as at 31st December 2014 (2013 : EUR 8,262,708).

In the context of a bank loan and a leasing agreement in place at Energiepark Trelder Berg GmbH, Enovos Luxembourg S.A. and its subsidiary are joint and several debtors to these agreements for a total amount of EUR 3,629,297 (2013: EUR 4,642,237).

Enovos Luxembourg S.A. further entered into a variety of financially settled derivative contracts (mainly futures and swaps in gas and electricity) in order to hedge the procurements for customer business and assets. As at 31st December 2014, the unrealized loss of these transactions amounts to EUR – 4,597,393 (2013: EUR + 1,289,556).

Enovos Luxembourg S.A. has issued a number of bank guarantees in favour of its suppliers in the context of its regular business for a total amount of EUR 7,454,003 (2013: EUR 11,274,204).

As of 30th December 2011, Enovos International S.A. entered into a swap agreement in order to hedge part of the credit facility for EUR 21,269,878 granted to Enovos Luxembourg S.A. for the refinancing of a bank loan of EUR 28,100,000 of one of its photovoltaic participations and to lock-in the interest rate for the maturities of 2012 to 2026. Beginning of February 2013 the swap agreement was transferred to Enovos Luxembourg S.A.. As of 31st December 2014 the notional amount is EUR 18,489,029 (2013: EUR 19,592,286) with a negative fair value of EUR 2,225,000.

For electricity and gas trades Enovos Luxembourg S.A. has received by counterparties parental support letters amounting to EUR 55,000,000 (2013: EUR 40,000,000).

Mid July 2014 Aveleos S.A. finalized a Share Purchase Agreement to sell photovoltaic installations in Italy. Enovos Luxembourg provided several customary corporate guarantees amounting to EUR 23,213,900 to hold the Buyer harmless from and against certain potential claims and risks. In the context of the current investigations and process conducted by the Italian authorities, a provision of EUR 15,050,000 has been posted in 2014 to cover the risk on part of these guarantees (see also note 33).

Enovos Solar Investment I S.r.l. Unipersonale has leasing obligations in the context of operating its photovoltaic parks for a total amount of EUR 15.4 million (2013: 16.3 million) maturing in 2029. All future leasing tranches are guaranteed by a comfort letter issued by Enovos Luxembourg S.A..

Still in the context of the current investigations and process conducted by the Italian authorities, Enovos Solar Investments II S.r.l. Unipersonale issued a bank guarantee of EUR 7,494,558, amount for which Enovos Luxembourg issued a counter-guarantee to the bank.

Creos Luxembourg S.A. has issued bank guarantees in the context of its regular business for a total amount of EUR 1,000,000 (2013: EUR 1,000,000).

LEO S.A. has issued bank guarantees in the context of its regular business for a total amount of EUR 500,000 (2013: EUR 4,068,000).

Note 37 – Off-balance sheet liabilities and commitments (cont.)

In the context of the financing of the group's new administrative building in Esch, Real Estate Enovos Esch S.A. has granted to the lending bank a mortgage on its property in Domaine Schlassgoart for a maximum amount of 50% of the outstanding debt, or EUR 13.5 million at the end of 2014 (2013: EUR 0).

In the context of the financing of its various renewable projects, NPG Energy Group has agreed to pledge various assets for a total value of EUR 23.1 million (2013: 24.0 million).

Enovos Deutschland S.E. and Enovos Renewables GmbH have granted various shareholder loans to non-consolidated participations for which the non drawn portions amount to EUR 7,215,892 on total (EUR 5,838,603 In 2013).

The Board of Directors is of the opinion that all necessary provisions have been made to cover potential losses out of the off balance sheet liabilities and commitments.

Note 38 – Post-balance sheet events

During the first months of 2015, Enovos Luxembourg S.A. continued the intense discussions with its partner shareholder in respect of the financial health of Aveleos S.A. and its capability to face upcoming commitments.

In November 2014, Enovos Luxembourg S.A. submitted a binding offer to acquire a 10% stake in the company Vialis, a local French distributor active in power and gas. The transaction has been finalised in March 2015.

No other major post balance-sheet event has occurred.

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Audit report

To the Shareholders of
Enovos International S.A.

Report on the consolidated annual accounts

We have audited the accompanying consolidated annual accounts of Enovos International S.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at 31 December 2014, the consolidated profit and loss account and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the consolidated annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these consolidated annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the consolidated annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these consolidated annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated annual accounts. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the consolidated annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated annual accounts give a true and fair view of the financial position of the Group as of 31 December 2014, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the consolidated annual accounts.

Report on other legal and regulatory requirements

The consolidated management report, which is the responsibility of the Board of Directors, is consistent with the consolidated annual accounts.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 24 April 2015

Christiane Schaus